

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
ROANOKE DIVISION

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	Case No. 7:19-cv-00354
)	
)	
v.)	
)	
SOUTHERN COAL CORPORATION;)	
A & G COAL CORPORATION;)	
JUSTICE COAL OF ALABAMA LLC;)	
BLACK RIVER COAL LLC;)	
CHESTNUT LAND HOLDINGS LLC;)	
DOUBLE BONUS COAL COMPANY;)	
DYNAMIC ENERGY INC.; FOUR)	
STAR RESOURCES LLC; FRONTIER)	
COAL COMPANY, INC.; INFINITY)	
ENERGY INC.; JUSTICE ENERGY)	
COMPANY, INC.; JUSTICE)	
HIGHWALL MINING, INC.;)	
KENTUCKY FUEL CORP.,)	
KEYSTONE SERVICES INDUSTRIES)	
INC.; M & P SERVICES, INC.; NINE)	
MILE MINING COMPANY, INC.;)	
NUFAC MINING COMPANY, INC.;)	
PAY CAR MINING INC.; PREMIUM)	
COAL COMPANY, INC.; S AND H)	
MINING, INC.; SEQUOIA ENERGY,)	
LLC; TAMS MANAGEMENT, INC.;)	
VIRGINIA FUEL CORP.,)	
)	
Defendants.		

JOINT STIPULATION

The Parties, Plaintiff, United States of America, and Defendants, Southern Coal Corporation, A & G Coal Corporation, Justice Coal of Alabama LLC, Black River Coal LLC, Chestnut Land Holdings LLC, Double Bonus Coal Company, Dynamic Energy Inc., Four Star Resources LLC, Frontier Coal Company, Inc., Infinity Energy Inc., Justice Energy Company, Inc.,

Justice Highwall Mining, Inc., Kentucky Fuel Corp., Keystone Services Industries, Inc., M & P Services, Inc., Nine Mile Mining Company, Inc., NuFac Mining Company, Inc., Pay Car Mining Inc., Premium Coal Company, Inc., S and H Mining, Inc., Sequoia Energy LLC, Tams Management, Inc., and Virginia Fuel Corp. (collectively “Defendants”), as well as non-party debtor Bluestone Coal Corporation (“Bluestone”), come by counsel, and respectfully state and agree as follows:

1. Defendants and Bluestone previously agreed to pay \$5,130,125.47 to resolve unpaid Mine Safety and Health Act violation debts. ECF No. 44. They further agreed to pay that amount in full by March 1, 2024. *Id.* Defendants and Bluestone did not do so.

2. As of this filing, Defendants and Bluestone still owe \$409,041.53 (“the Debt”).

3. The United States filed a Motion for Civil Contempt against Defendants. ECF No. 56. Defendants admitted the government met the elements of civil contempt but alleged an affirmative defense of “inability to pay” the Debt ECF No. 58. On February 25, 2025, the Court heard evidence from Defendants on their purported inability to pay the Debt, but the evidence was not concluded and the Court recessed the hearing. The hearing was continued to February 28, 2025. ECF Nos. 65, 66.

4. The Parties have since conferred and, given the risk of litigation, hereby agree to the following settlement of the pending claims:

- a. Defendants and/or Bluestone shall pay the United States \$125,000 on February 27, 2025; and
- b. Defendants and/or Bluestone shall pay the United States \$284,014.53 on or before May 1, 2025.

5. The Parties agree to continue the United States' Motion for Civil Contempt until after May 1, 2025 and no finding of Civil Contempt shall issue at this time and under these circumstances.

6. If Defendants and/or Bluestone fail to make the payments set forth in Paragraph 4 in full, Defendants agree to entry of the attached Stipulated Order of Civil Contempt.

7. The Parties attach a Stipulated Civil Contempt Order to this Stipulation, which shall be entered only if Defendants and/or Bluestone fail to make the payments set forth in Paragraph 4 in full, upon the United States' notification to the Court of Defendants' failure.

8. If Defendants and/or Bluestone have not paid the Debt in full, plus the civil contempt fines in full, by November 1, 2025, Defendants agree the Court shall hold the remaining Defendants in civil contempt and consider imposing additional sanctions on those Defendants.

9. If the debt remains unpaid, the Parties agree the United States is not limited to the civil contempt sanctions set forth in Paragraph 6, and the United States may move the Court for additional sanctions including but not limited to imposition of the Federal Debt Collection Procedures Act 10% surcharge, additional civil fines, civil confinement of corporate officers, and receivership. The Parties also agree the United States may seek any additional legal action against Defendants for failure to pay this Debt. Defendants reserve all arguments in opposition to such a request and shall be permitted to present evidence and arguments as to an appropriate sanction should the obligations in Paragraph 4 not be satisfied.

10. After Defendants have fully paid the Debt and any civil contempt fines, the United States shall file a Notice of Satisfaction of Judgment and shall request that the Court dismiss its Motion for Civil Contempt against the Defendants.

11. This Stipulation does not otherwise modify the terms of the April 1, 2020 Joint Stipulation for Consent Judgment.

THEREFORE, the Parties respectfully request this Honorable Court take notice of the aforementioned and continue the hearing currently set for February 28, 2025.

Respectfully submitted,

ZACHARY T. LEE
Acting United States Attorney

Date: February 27, 2025

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